

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

1200 Sixth Avenue, Suite 900 Seattle, Washington 98101-3140 MAY 1 6 2008

Environmental Cleanup Office

May 15, 2008

Reply to Attn Of: ECL113

Jim Pendowski Department of Ecology Toxics Cleanup Program P.O. Box 47600 Olympia, WA 98504-7600

Re:

Wyckoff/Eagle Harbor Superfund Site - Soil and Groundwater Operable Units

Superfund State Contract

Dear Mr. Pendowski:

Please find enclosed the Superfund State Contract - Remedial Action for Wyckoff/Eagle Harbor Site, Soil and Groundwater Operable Units for your review and consideration. As we discussed in our August 10, 2007 meeting and most recently noted in our letter dated March 7, 2008, we will need to reach resolution on the issues raised by the State and the City of Bainbridge Island to accommodate the negotiation of the required Superfund State Contract (SSC) between EPA and the State of Washington Department of Ecology (Ecology).

As you know, EPA is required to have a SSC in which the State agrees to pay 10% of federal remedial action expenditures and assume operations and maintenance responsibilities for the remedy. In accordance with CERCLA Section 104, EPA will be prohibited from using Superfund funds to continue our remedial action work after the current SSC expires on June 30, 2008. We have continued working in good faith under amendments to the initial SSC for the past three years but, as we have now settled with certainty on the contingency remedy of containment, we must finalize SSC negotiations to continue remedial action on the Soil and Groundwater Operable Units.

In my recent discussions with Tim Nord of your office, he indicated that the State is expecting to hire a consultant to re-evaluate all the technical work conducted to support the Remedial Investigation/ Feasibility Study. While EPA believes that conducting this re-evaluation is contrary to our State/EPA Sites Agreement, we acknowledge that funding the work is Ecology's decision. We must, however, advise you that state expenditures for this re-evaluation will not be considered as allowable expenditures for state matching funds under the SSC.

We remain willing and interested in coordinating our remedial action work under Superfund with additional work that you or other parties may elect to pursue. We expect to complete construction of the remedy for the Groundwater Operable Unit, including construction of the replacement groundwater treatment plant, necessary improvements and upgrades to the groundwater extraction wellfield, and installation of the groundwater monitoring network, by the end of 2008. In coordination with the State, we may elect to delay implementation of the Soil Operable Unit remedy, including the shoreline stabilization wall and the cap, until additional mass removal efforts are complete.

We will be contacting you shortly to schedule negotiations for the attached SSC and would suggest setting the date of May 30, 2008 for completion of substantive negotiations to allow time to obtain final signatures on the contract by June 30, 2008. Please contact me at (360) 753-8086 or have your staff contact Mary Jane Nearman at (206) 553-6642 if you have any questions prior to the negotiations. We look forward to successful final resolution of the issues on this important Region 10 project.

Sincerely

Homas G. Eaton, Director Washington Operations Office

enclosure

cc: Jim Woolford, EPA-OSRTI w/enclosure

bcc: Cami Grandinetti/R10

Maryjane Nearman/R10 Beth Sheldrake/R10